

Bruce T. Beesley

Honorable Bruce T. Beesley
United States Bankruptcy Judge



Entered on Docket
January 22, 2019

ROBERT E. OPERA – California State Bar No. 101182
ropera@wcghlaw.com
WINTHROP COUCHOT
GOLUBOW HOLLANDER, LLP
1301 Dove Street, Suite 500
Newport Beach, CA 92660
Telephone: (949) 720-4100
Facsimile: (949) 720-4111

STEPHEN R. HARRIS – Nevada State Bar No. 001463
steve@harrislawreno.com
HARRIS LAW PRACTICE LLC
6151 Lakeside Drive, Suite 2100
Reno, NV 89511
Telephone: (775) 786-7600

General Insolvency Counsel
for Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

- ☐ X-TREME BULLETS, INC.,
- ☐ AMMO LOAD WORLDWIDE, INC.,
- ☐ CLEARWATER BULLET, INC.,
- ☐ FREEDOM MUNITIONS, LLC,
- ☐ HOWELL MACHINE, INC.,
- ☐ HOWELL MUNITIONS & TECHNOLOGY, INC.,
- ☐ LEWIS-CLARK AMMUNITION COMPONENTS, LLC,
- ☐ COMPONENTS EXCHANGE, LLC,
- ☒ All Debtors.

Debtors and
Debtors-in-Possession.

Jointly Administered under
Case No. 18-50609-btb with

Case Nos. 18-50610-btb; 18-50611-btb;
18-50613-btb; 18-50614-btb; 18-50615-btb;
18-50616-btb; and 18-50617-btb

Chapter 11 Proceedings

**ORDER APPROVING STIPULATION TO
CONTINUE HEARING ON MOTION FOR
ORDER AUTHORIZING USE OF ANY CASH
COLLATERAL OF SECURED CLAIMANTS**

Current Hearing Date:

DATE: January 23, 2019

TIME: 2:00 p.m.

EST. TIME FOR HEARING: 15 minutes

Continued Hearing Date:

DATE: March 5, 2019

TIME: 2:00 p.m.

EST. TIME FOR HEARING: 15 minutes

The Court having reviewed and considered the Stipulation to Continue Hearing on Motion for Order Authorizing Use of Any Cash Collateral of Secured Claimants ("Stipulation") [Docket No. 366] entered into by and among X-Treme Bullets Inc.; Ammo Load Worldwide, Inc.; Clearwater Bullet, Inc.; Freedom Munitions, LLC; Howell Machine, Inc.; Howell Munitions & Technology, Inc.; Lewis-Clark Ammunition Components, LLC (collectively, the "HMT Debtors"); and Components Exchange, LLC ("Components Exchange" and, together with the HMT Debtors, the "Debtors"), the debtors and debtors-in-possession in the above-captioned bankruptcy cases, on one hand, and Z.B., N.A., dba Zions First National Bank ("Zions"), on the other hand, on January 22,, 2019, by and through their respective undersigned counsel, and good and sufficient cause appearing, it is hereby **ORDERED** that,

1. The Stipulation is approved in its entirety.

2. The hearing on the Debtors' Motion for Order Authorizing Use of Any Cash Collateral of Secured Claimants ("Cash Collateral Motion") [Docket No. 28] currently set for January 23, 2019 at 2:00 p.m. shall be continued to March 5, 2019 at 2:00 p.m.

3. The Debtors are hereby authorized to continue to use Cash Collateral, as defined in the Cash Collateral Motion, through 5:00 p.m. on March 5, 2019 in accordance with the terms of the Stipulation to Continue Hearing on Motion for Order Authorizing use any Cash Collateral of Secured Claimants, entered into by and among the Debtors and Zions on December 11, 2018 ("December 2018 Cash Collateral Stipulation") [Docket No. 295], and the order approving the December 2018 Cash Collateral Stipulation ("December 2018 Cash Collateral Order") [Docket No.

307], as amended by the terms of the Stipulation and the budgets attached hereto, collectively, as Exhibit “A” and incorporated herein by this reference (“Revised Budgets”).

4. The ALW proceeds currently held by Zions by the Court’s order in a segregated account [Docket No. 247] shall be released to Zions as a payment to be applied toward the principal amount of the Debtors’ obligations to Zions.

5. In addition to the amounts authorized to be paid through January 23, 2019 pursuant to the December 2018 Cash Collateral Stipulation and the December 2018 Cash Collateral Order, the Debtors are hereby authorized to pay, from Cash Collateral, the amounts for retained professional fees and costs reflected in the Revised Budgets (which amounts are fifty percent (50%) of the Debtors’ estimate of the professional fees and costs that will accrue during the indicated time period). The payment of such amounts shall remain subject to objection on any grounds, including, without limitation by Zions, unless and until allowed by order of the Court, and shall remain subject to potential disgorgement pursuant to order of the Court. Each professional reserves the right to seek allowance and payment of the full amount of its fees and costs.

6. Any opposition to the continued use of Cash Collateral by the Debtors shall be filed and served on the Debtors’ counsel by February 18, 2019. Any replies to any such opposition shall be filed and served on the party asserting such opposition by February 26, 2019.

7. No further notice or hearing shall be necessary to effectuate this Order.

Prepared and Submitted by:
STEPHEN R. HARRIS, ESQ.
HARRIS LAW PRACTICE LLC

-and-

ROBERT E. OPERA, ESQ.
WINTHROP COUCHOT
GOLUBOW HOLLANDER, LLP

/s/ Robert E. Opera
General Insolvency Counsel
for Debtors and Debtors-in-Possession

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EXHIBIT A

Howell Munitions & Technologies, Inc.

	Carry Forward Balance	1/6/2019- 1/12/2019	1/13/2019- 1/19/2019	1/20/2019- 1/26/2019	1/27/2019- 2/2/2019	2/3/2019- 2/9/2019	2/10/2019- 2/16/2019	2/17/2019- 2/23/2019	2/24/2019- 3/2/2019	3/3/2019- 3/9/2019

Howell Munitions & Technologies, Inc.

	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:
	1/6/2019- 1/12/2019	1/13/2019- 1/19/2019	1/20/2019- 1/26/2019	1/27/2019- 2/2/2019	2/3/2019- 2/9/2019	2/10/2019- 2/16/2019	2/17/2019- 2/23/2019	2/24/2019- 3/2/2019	3/3/2019- 3/9/2019
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Carry Forward Balance									
Production Related:									
Chemicals and Testing	458	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Environmental Related	40,695	10,000	2,500	2,500	2,500	10,000	2,500	2,500	2,500
Rents - D. Howell	48,052			45,000					45,000
Rents - External D Street Only	171			5,000					5,000
Repairs and Maintenance and Tooling	3,699	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Shop Supplies	4,624	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Utilities	6,077	5,000	5,000	25,000	5,000	5,000	5,000	25,000	5,000
RMA's (Return Merchandise Auth.)	604		500			500			500
Warranty Payments	6,600	500	500	500	500	500	500	500	500
Bankruptcy Related Costs:									
US Trustee Fees	60,325		20,000	a			20,000	a	
CRO/GlassRatner	39,000		62,500	a			62,500	a	
Winthrop Couchot Golubow Hollander, LLP	186,605		5,000	a			5,000	a	
Harris Law Practice LLC	28,182		12,500	a			12,500	a	
Creditors Committee	50,000								
Miller Barondess LLP									
TOTAL CASH DISBURSEMENTS	416,200	492,700	235,700	684,700	493,200	305,200	228,700	412,700	389,200
WEEKLY NET CASH	(46,200)	(122,700)	134,300	(314,700)	(123,200)	64,800	141,300	(42,700)	(19,200)
ENDING CASH (without Pre-Petition Payroll Checks)	508,044	385,344	519,644	204,944	81,744	146,544	287,844	245,144	225,944

NOTE

a - Professional fees are shown at 50% of the estimated amount of the professional fees, in light of the Court's prior order authorizing 50% of budgeted fees to be paid.

Components Exchange LLC

	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:	Week Of:
	1/6/2019- 1/12/2019	1/13/2019- 1/19/2019	1/20/2019- 1/26/2019	1/27/2019- 2/2/2019	2/3/2019- 2/9/2019	2/10/2019- 2/16/2019	2/17/2019- 2/23/2019	2/24/2019- 3/2/2019
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
BEGINNING CASH	34,170	126,670	188,670	168,670	80,670	78,170	45,170	25,170
CASH RECEIPTS								
Labor and OH Charge to HMT for Loading Ammo								
Wholesale	95,000	95,000		95,000				35,000
Contracts								
ammovalley.com & reloadingvalley.com								
TOTAL CASH RECEIPTS	95,000	95,000		95,000				
CASH DISBURSEMENTS								
Payroll								
Medical Insurance		30,000		30,000		30,000		30,000
Rent								
Utilities	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Repairs and Maintenance and Tooling	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Shop Supplies	500	500	500	500	500	500	500	500
Office Supplies		500		500		500		500
FET				150,000				
Bankruptcy Related Costs:								
US Trustee Fees								
CRO/GlassRatner			5,000	a			5,000	a
Winthrop Couchot Golubow Hollander, LLP			12,500	a			12,500	a
Harris Law Practice LLC								
Creditors Committee								
Miller Barondess LLP								
TOTAL CASH DISBURSEMENTS	2,500	33,000	20,000	183,000	2,500	33,000	20,000	33,000
WEEKLY NET CASH	92,500	62,000	(20,000)	(88,000)	(2,500)	(33,000)	(20,000)	2,000
ENDING CASH	126,670	188,670	168,670	80,670	78,170	45,170	25,170	27,170

NOTES

a - Professional fees are shown at 50% of the estimated amount of the professional fees, in light of the Court's prior order authorizing 50% of budgeted fees to be paid.